



**Inaugural Address to be delivered by**

**Mr. Ronald Hinds**

**President, Trinidad and Tobago Chamber of Industry and Commerce**

**on the occasion of**

**Trinidad and Tobago Chamber of Industry and Commerce**

**AGM & Annual Business Luncheon**

**“Seeing Opportunity in our Crisis – Looking to a New Day”**

**Wednesday March 22, 2017**

**11.40 a.m. – 230 p.m.**

**Hilton Trinidad and Conference Centre**

## **SALUTATIONS:**

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- Senator the Honourable Paula Gopee-Scoon, Minister of Trade and Industry
- His Excellency Raymundo Rodriguez Diaz, Ambassador of El Salvador to Trinidad and Tobago
- Mr. Vishnu Dhanpaul, Permanent Secretary, Ministry of Finance
- Mr. Robert Trestrail, Immediate Past President of the T&T Chamber
- Mr. Gabriel Faria, Chief Executive Officer, T&T Chamber
- Members of the Diplomatic Corps
- Members of the Board of Directors of the T&T Chamber
- Members of the Business Community
- Members of the Media
- Distinguished Ladies and Gentlemen

Good Morning.

A warm welcome to our Annual Business Luncheon, – one of our signature events that is a staple of the business calendar.

Today I formally assume the Presidency of the Trinidad and Tobago Chamber of Industry and Commerce. May I say, it is an honour to have been selected to lead this organisation, which is now celebrating its 138<sup>th</sup> year of existence. Thank you to the Board which, in electing me, has reposed in me a most serious responsibility in every circumstance but particularly now in our nation's history. Thank you also to the distinguished Past Presidents who have over many decades, built and shaped the organisation into the strong and influential body it is today. I am sure that that strength and influence will serve us well as we play our part in guiding our members through the current challenges that face us as a nation.

Ladies and gentlemen, as we have been citing repeatedly, the crisis that is facing Trinidad and Tobago today is no ordinary one. It is not just an economic crisis, but political and social as well – it is multi-dimensional in scope. And it will require a great degree of wisdom and resolve as a people to challenge the status quo and to quite literally re-shape our

future. It is for those reasons, the existential and multi-dimensional nature of the crisis that I would ask today, for just a moment, to put away our business agenda and address the issues that confront us not merely as businessmen and business women but rather as fathers and mothers, brothers and sisters, members of a family, members of community and for most citizens of this country.

Permit me to start by taking a sober and realistic look at what confronts us today:

- On the economic front, the fall in gas and oil prices have decimated the national budget and cut foreign exchange earnings. Tax revenues fell from a peak of \$57.2B in 2013/14 to \$38.7B estimated for 2016/17 (-31%). Current Expenditure for the same period was \$54.4B and \$48.4B. A current account surplus of \$2.7B becomes a current account deficit of \$9.7B. Public sector debt now stands at \$119B or 56.6% of GDP. We are grappling with declining economic activity, foreign exchange shortages, and lowered business confidence.
- On the political and governance front, we are seeing the near collapse of almost every institution of governance and service delivery by the State: policing and security, health services, transportation – including the inter-island air and sea bridges -

and in fact nearly every aspect of public sector service delivery is in crisis.

- On the social front, this collapse is being increasingly manifested through worsening crime, including increased brutality and violence and crimes against women. This is all side by side with no improvement in detection and prosecution and if we accept the alarming statistics provided in the recent debate on the Indictable Offences Bill, our courts are inadequately equipped to handle the volume of matters that come before it. Add to that a troubled education system struggling with bullying and school violence.

This is but a small sample of what we are required to respond to not just as a business community but as a people. These crises assault us as citizens, as fathers and mothers, sons and daughters, as supporters of one or other political party or supporters of none. We can't view crime and its underpinning of growing social decay simply as a business problem that adds to our cost - even if it does that.

There is no way to isolate the elements of the crisis that separates its impact on us in our different capacities. The inefficiencies in our public-sector management that as business people we experience in treating with public institutions are but a different manifestation of the same

fundamental problem that has people spending futile hours awaiting service in our public health institutions. These are not business problems to be solved for or by business people only. We either work towards solving them as a holistic national problem affecting all or they will not be solved at all.

I acknowledge that some of these issues are externally driven and not fully within our control. In relation to the economy, the collapse of energy prices has had an effect on small and large energy producers alike and Trinidad and Tobago has been impacted as we are all aware. In Brexit and the new Trump presidency, we are seeing the old playbook being destroyed to the point where old allies and trading partners are embarking on a totally new walk into the unknown.

Despite the external factors, I think we can agree that we have failed to treat with many problems that are within our control. As a nation, we have failed to treat with corruption, public sector reform, economic transformation and diversification to name but a few. Despite these failures, we have managed to survive, and at times even prosper. In today's world and in our national crisis, I think you will agree that we are running out of options to postpone resolution of these critical issues.

I will share with you an actual dream that I had. I was observing a consultation that was searching for answers to our crisis. There were many good suggestions, but all of them were calls for someone else to do something; equally, there was always a quick rejoinder that as good as the suggestions were on the surface, they could never work because some group or other would never stand for it. Then someone said, “If this is it, then we need a miracle” and I got it, I understood that they were saying the miracle that we needed to get out of the morass that the consultation identified, was for someone, some institution, some group who it was thought would never change had to change and if only one changed that would be a miracle.

Those young people in my dream were saying that we can't solve any problem if every group was fixated on its narrow self-interest only. The irony is, if self-interest wins every time to stop manifest and necessary change, we, as a society, lose every time.

That was when I “got it”. We didn't need to develop solutions to the problems we had. WE were the problem. It was WE who needed to change, if the problems were to change or be solved.

And we have only spoken of the economic and social changes; what of climate change, diminishing natural resources and the rapidly changing technology landscape that is itself a threat or an opportunity. What was science fiction a mere 30 years ago is now our everyday reality, from smartphone technology to prospects of tourist travel to outer space to artificial intelligence and machine learning. Our hands are so full of change, standing to fight yesterday's battles are futile and self-defeating.

The crisis as I have defined it might appear depressing to even an optimist, but if I may use a term credited to Paul Romer, an American economist, "**A crisis is a terrible thing to waste**". There is wisdom in this statement and I want to submit that we need to embrace it today.

As a country, we have failed to transform ourselves because we somehow considered that we had a choice to turn back or not go forward, unless our back is against the wall or as we heard recently, only if the sky was falling in. Well, if we do nothing or simply keep doing what we did before, the sky will fall in. I want to submit that there is an urgent need to change.



Waiting for energy prices to rebound or Venezuelan gas to come ashore is not enough of a recovery strategy. Neither provides anything more than wiggle room and a little space, God forbid that either would allow us to defer doing what we must, we must today change the status quo. It's easy when calling for change to make that call first to others when in fact we need to summon up the courage to first embrace change ourselves. We must use our vision to seek out opportunity and make it our mission to find that new dawn.

### **Chamber's Strategic (and practical) response**

If we accept that change is one of our reasonable responses to this crisis, I would like to speak of the Chamber's response from two perspectives, one philosophical and the other strategic.

#### **Philosophical**

What are the key elements of thought that will define our response?

1. We recognize our past failures as evidence of a leadership vacuum that we are determined to fill. In this I hope we will not stand alone.
2. We will seek to change the national conversation from one now dominated by asking first, what might others do, to one in which we first ask, what might we do

3. We will view the problems to which we seek and offer solutions as much more than business problems but national problems that affect us all and require responses rooted in national development
4. We want to work with all who will join with us to promote and create an environment open to change and transformation
5. To be a voice of reason, a voice of hope and a voice of encouragement

#### **Chambers Strategic (and practical) response**

Ladies and Gentlemen, as I prepare to take up the mantle of leadership at the T&T Chamber, it is interesting that my term of office dovetails with a new CEO, Gabriel Faria, who came on board last October. With the cooperation of the Board and management, we will roll out a series of enhanced services... our response – in part - to the economic challenges businesses are facing but while looking to the future.

As we take greater responsibility for the change that we seek, in relation to our members and indeed potential members, small and large, from Charlotteville to Cedros, we want to work with them to assist them in transforming their businesses. A bit later, Gabriel will take you through the paces of a suite of services which we will be

introducing to our members and in some instances, to the wider public, from as early as next month.

### **A call to Action**

In charting the course that we have identified today, we hope to attract the energy of our members and indeed new members to the important task of nation building. This is something that we obviously cannot do alone but neither do we want to. Let's offer ourselves as the first to change and let's look for the others to follow. That's what leaders do.

Ladies and gentlemen, I thank you.

(1925 words)